

## CHAPTER 6

### PERFORMANCE MANAGEMENT AND RECOGNITION

#### A. POLICY

CIPMS supports the concept of pay for performance and the premise that effective performance management and recognition will enhance the accomplishment of the Intelligence mission. Performance management and recognition regulations and policies shall support this policy and those enumerated below.

#### B. PERFORMANCE MANAGEMENT

##### 1. Conversion of Performance Management and Recognition System (PMRS) Employees.

a. The PMRS shall not apply to positions or employees covered by the CIPMS .

b. Each Military Department shall convert GM employees to GS.

c. Each Military Department shall continue to apply OPM and DoD procedures concerning determination of pay adjustments upon conversion from GM or other schedule, notification to affected GM employees and determination of initial waiting periods for within-grade increases after conversion to GS.

2. Performance Appraisal. Each Military Department shall initially apply its existing system for performance planning and appraisal. However, ratings shall not be driven by budget constraints. Modifications of existing systems and/or the development of a new system for CIPMS employees shall be approved by the ASD (FM&P) prior to implementation.

#### C. PERFORMANCE RECOGNITION

Each Department shall develop and implement regulations for administering either a separate performance recognition program for the CIPMS or supplementing their existing systems. Provisions contained in Section 4501 of Title 5, U.S. Code, or existing regulations for employees subject to Title 5, U.S. Code, shall not apply to employees covered by CIPMS when in conflict with the following:

1. Linkage to Retention. The Military Departments shall permit the use of monetary performance awards as retention incentives for superior performers, as well as for recognition and motivation.

2. Performance Recognition Criteria. Performance recognition criteria shall be established based on overall performance and management considerations rather than solely on mechanical rules or tables. The following criteria may be considered when determining monetary performance awards: the employee's most recent performance appraisal, prior rating and recognition history, present compensation, type of position, level of responsibility, and organizational accomplishments.

3. Forms of Performance Recognition. Various forms of performance recognition should be made available by the Military Departments to motivate individual and group performance. These may be used by management in conjunction with basic pay and recruitment incentives to create compensation packages appropriate to each employee's contributions and value to the organization. The following are forms of recognition that may be used (under appropriate circumstances) for performance recognition:

- a. Performance rating (alone or in combination with any of the following);
- b. Within-grade increase;
- c. Promotion;
- d. Quality Step Increase (QSI);
- e. Exemplary Performance Award;
- f. Special Act of Service Award;

- g. Performance Award; and
- h. Honorary Awards (for example, established Intelligence Community, Department and/or other awards).

4. Exemplary Performance Award. An Exemplary, Performance Award (EPA) is an increase in basic pay equivalent to two within-grade increases. It recognizes General Schedule employees whose continued exemplary performance far exceeds the standards expected for their assigned grade level and whose documented performance is consistently at the highest adjectival performance rating level. Use of this option shall require that employees receiving an EPA must have been at the same grade level for the last 3 years and must have been officially rated at the highest level for the last two performance ratings as well as the current rating being assigned. EPAs may result in pay at a rate equivalent to the eleventh or twelfth step of the employee's grade but not higher. EPAs shall be documented by an SF-50, which shall be placed in the employee's Official Personnel Folder. EPAs shall be made a part of the program evaluation system.

5. Management To Budget. Managers shall be given wide latitude to determine the frequency and amount of awards based on overall budget constraints rather than imposing artificial and arbitrary limits. Performance awards shall be made a part of each Military Department's budget program and procedures.

6. Limitation on Delegation of Approval Authority. Individual monetary performance awards shall not exceed \$10,000 without prior review and approval as required by each Military Department's Secretary. Approval authority for monetary awards up to and including \$10,000 should be delegated to the lowest practical level consistent with the delegation of similar personnel authorities.

7. Retention of Management Discretion. Monetary awards based on performance shall be retained as a discretionary personnel management decision by functional management and may not be made mandatory for any assigned performance rating, grade level, or type of position.

8. Limitation on Right to Grieve. Neither the nonreceipt of an award for performance nor the amount or type of an award may be made grievable under a Department's grievance procedures for CIPMS employees.